

EX PARTE OR LATE FILED

1401 H Street, N.W.
Suite 1020
Washington, D.C. 20005
Office 202/326-3815



James K. Smith
Director
Federal Relations

February 3, 1997

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, DC 20554

Re: **Ex Parte Statement**
CC Docket 96-98 and Docket 97-1

Dear Mr. Caton:

On February 3, 1997, Mr. John Lenahan, Mr. Terry Appenzeller, Ms. Lynn Starr and I met with Mr. Richard Metzger, Deputy Bureau Chief, Common Carrier Bureau and staff of the Program Division and Competitive Pricing Division to discuss Ameritech's position as set forth in the attachments hereto.

Sincerely,

A handwritten signature in cursive script, appearing to read "James K. Smith", written in dark ink.

Attachment

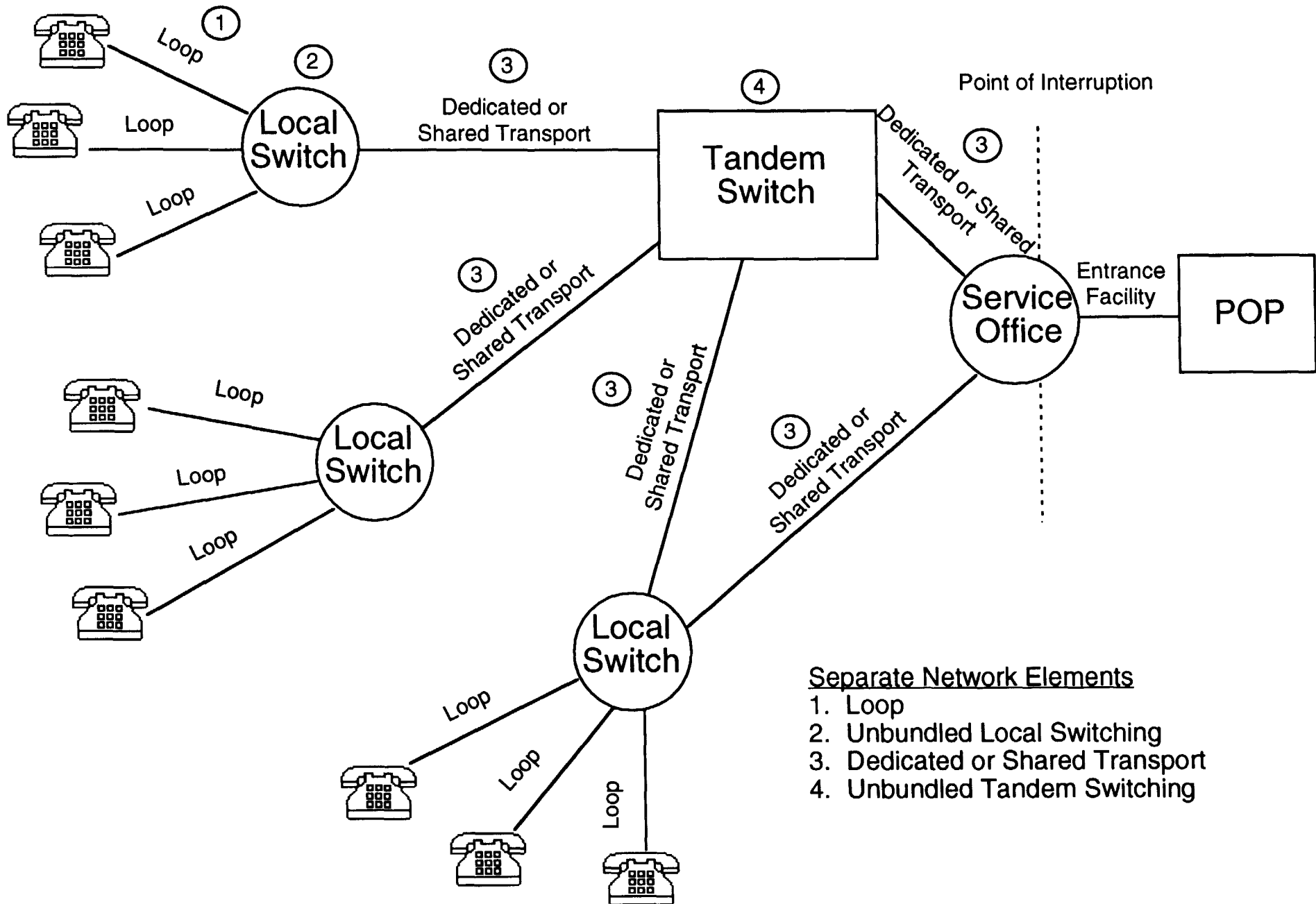
cc: R. Metzger

No. of Copies rec'd
List ABCDE

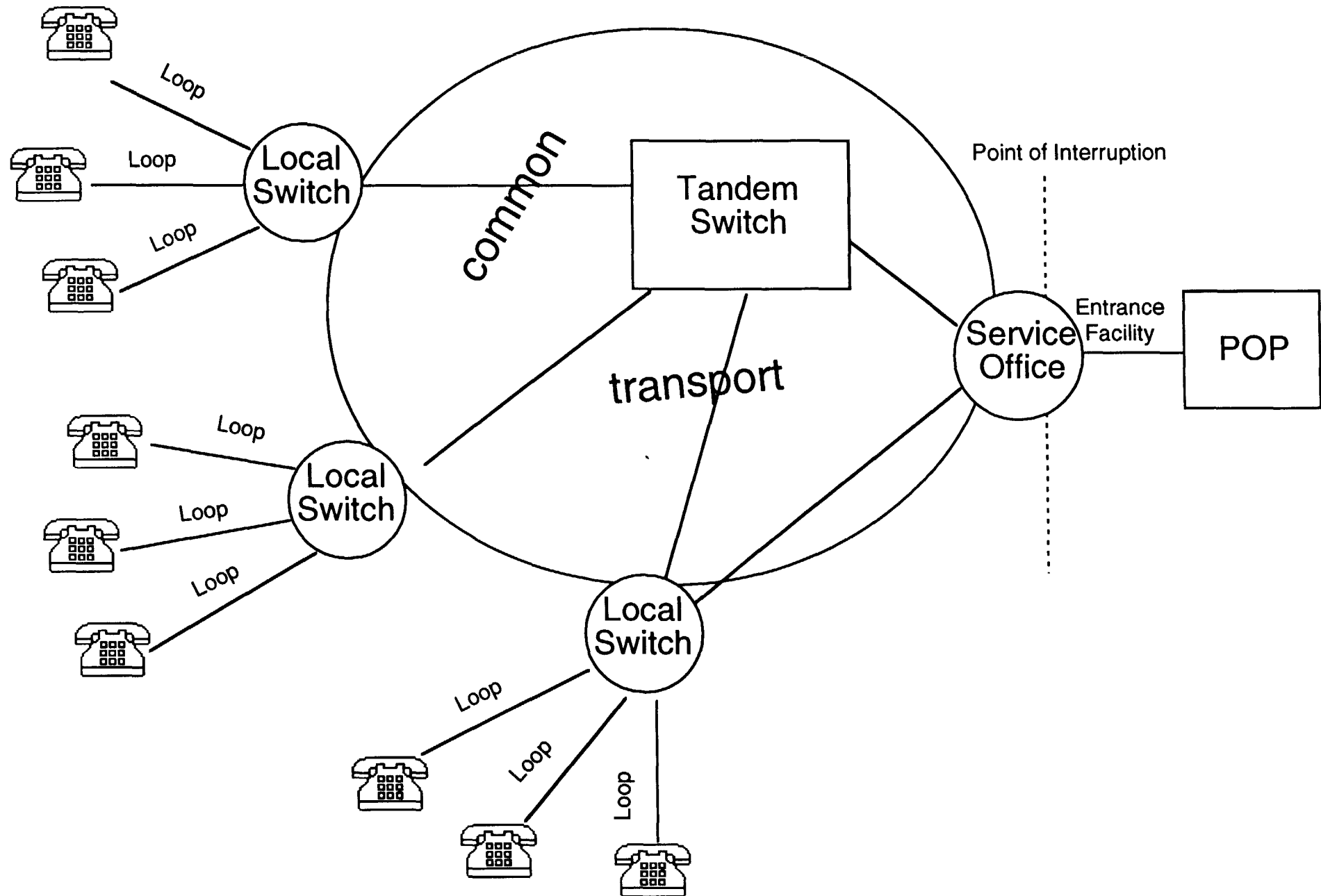
012



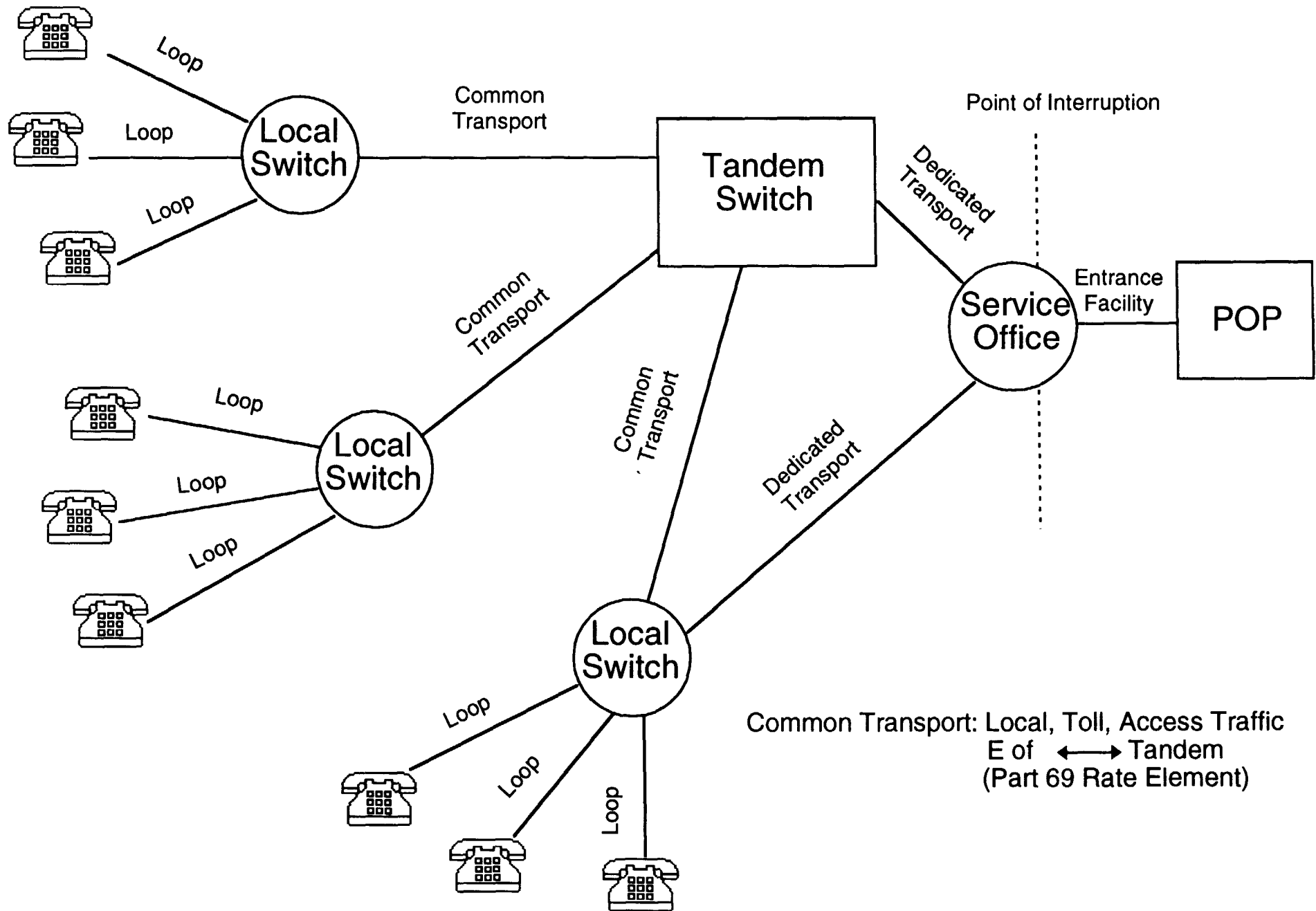
Ameritech's Unbundled Elements



IXC's Proposed "Common Transport"



Switched Access



"COMMON TRANSPORT" IS NOT UNBUNDLED INTEROFFICE TRANSMISSION FACILITIES

AT&T contends that "shared transport is synonymous with common transport." AT&T, within the past month has used the following terms to describe unbundled interoffice transmission: "shared transport," "common transport," "shared/common transport," "shared (i.e., common) transport" and "switched transport service in Ameritech FCC Tariff No. 2, Section 6.1.3 and 6.9.1" AT&T also contends, in connection with its Michigan arbitration, that "Ameritech now takes the position that shared transport is different from common transport (a point not identified by Ameritech during the hearings in this case)." AT&T's claims are untimely and erroneous and its position regarding common transport has no support in the Act, the FCC's Regulations, or the First Report and Order in Docket 96-98.

- **The definition of Network Element requires access to a particular facility or equipment.** The Act defines "network element" as "a facility or equipment" used to provide a telecommunications service. A network element also includes features, functions, and capabilities that are provided by "such facility or equipment..." Therefore, in order to obtain a "feature, function or capability," --as a network element,-- the requesting carrier must designate a discrete facility or equipment, in advance, for a period of time.
- **A network element includes features, functions and capabilities provided by such element.** Ameritech agrees that network elements should be broadly constructed to include all features, functions and capabilities provided "by such facility." See First Report and Order at ¶ 262. However, the definition in the Act does not support an interpretation that a requesting carrier can purchase undifferentiated access to network capabilities, without purchasing access to a particular facility or equipment used to provide telecommunications service. Obtaining on-demand, undifferentiated use of the functions and capability of the public switched network is the purchase of a service, not access to a network element. Such an interpretation would eliminate any difference between access to a network element or purchase of a service.
- **The FCC's First Report and Order in CC 96-98 recognizes the clear difference between "network elements" and "services."** The Commission has correctly concluded that a network element is a "facility and not a service." First Report and Order at ¶ 343. The Commission noted: "when interexchange carriers purchase unbundled elements from incumbents, they are not purchasing exchange access "services." They are purchasing a different product, and that product is the right to exclusive access or use of an entire element." First Report and Order at ¶ 358. Likewise, in distinguishing between network elements and services, the Commission noted that a carrier purchasing access to network elements must pay for that facility, and faces a risk that it may not have sufficient demand for services "using that facility" to

recoup its costs. In contrast, a carrier using resold services does not face this risk. See First Report and Order at ¶ 334. (Emphasis added)

- **AT&T's assertion that shared and common transport are synonymous has no legal basis.** There is no mention of "common transport" in the FCC's Regulations or in the First Report and Order discussing "interoffice transmission facilities." See First Report and Order at ¶ 439-451, ¶ 820-823 and 47 C.F.R. § 51.319(d.). The Regulations require incumbent LECs to unbundle only two types of interoffice transmission facilities: dedicated and shared. 47 C.F.R. § 51.319(d)(1). Ameritech's contract and pricing schedule have consistently provided for both. The only use by the Commission of the word "common transport" is in ¶ 258 of the First Report and Order. However, there is no definition of "common transport," nor any discussion of "common transport" in any portion of the Order defining network elements. Presumably because the term "common transport," which is the same as tandem-switched transport, is commonly recognized as a service. See CompTel v. FCC 87 F.3d 522 at 524 (D.C. Cir., 1996)
- **AT&T's position is contrary to the basic concept of unbundled network elements.** Under AT&T's proposal, common transport would be billed on a per-minute-of-use basis (just like switched transport service). Unbundled facilities, however (such as loops and transport), are billed on a per facility/per month basis, which is consistent with the purchase of facility as opposed to a service. As the Commission found, the costs of shared facilities, including transmission facilities between the end office and the tandem, should be recovered in a manner that efficiently apportions cost amount users. First Report and Order at "¶ 755. Contrary to AT&T's after the fact challenge, its Interconnection Agreements with Ameritech uses flat capacity-based rates as permitted by the Commission. See First Report and Order at ¶ 757.
- **AT&T is attempting to avoid its obligations and "game" the FCC's unbundled pricing regime.** By attempting to purchase undifferentiated minutes of use on Ameritech's entire network, as opposed to a specific facility within the network, AT&T is attempting to obtain the competitive advantages of purchasing unbundled elements while avoiding the concomitant risk -- borne by all purchasers of unbundled elements -- that the leased facility will be underutilized. This is contrary to the FCC's intent. See First Report and Order at ¶ 334 ("If a carrier taking unbundled elements may have greater competitive opportunities than carriers offering services available for resale, they also face greater risks. A carrier purchasing unbundled elements must pay for the cost of that facility It thus faces the risk that end-user customers will not demand a sufficient number of services using that facility for the carrier to recoup its cost.")

- **AT&T relies on a tariff price that encompasses more than transport.** AT&T's proposed price for common transport is based on Ameritech's FCC Tariff No. 2 for Switched Transport Services. Those services, however, consist of multiple rate elements: a transmission facility charge, a switch termination charge, and a tandem switching charge. See FCC Tariff No. 2 § 6.9.1(A); see also 47 C.F.R. § 69.111. Thus, common transport, as defined by AT&T, is inextricably entwined with switching and cannot stand alone as unbundled interoffice transmission. In contrast, the Commission's definition of "shared transmission facilities between end offices and the tandem switch" does not include tandem switching. See First Report and Order at ¶ 440 and note 987. Even AT&T recently conceded this point: "Unbundling requires that charges for unbundled transport cannot include charges for switching." Letter from Bruce Cox to William Caton, dated January 28, 1997, Ex Parte Presentation--CC Docket 96-98 and CC Docket 97-1.
- **AT&T's reliance on the Switched Transport tariff directly conflicts with the § 271 checklist.** Item (v) of the competitive checklist states that local transport must be "unbundled from switching or other services." 47 U.S.C. § 271(c)(2)(B)(v) (emphasis added). The Commission's definition of unbundled interoffice transmission facilities is consistent with unbundled transport required by the competitive checklist. See ¶ 439 and note 986. Yet, as noted above, the Part 69 definition of Switched Transport (AT&T's common transport) explicitly includes switching as a bundled part of the service.
- **Ameritech has recognized the distinction between shared and common transport throughout this proceeding.** Ameritech made its position on the shared versus common transport issue clear to the FCC in the NPRM proceedings in Docket No. 96-98, proceedings in which AT&T was an active participant. Thus, AT&T has long been aware of Ameritech's position that shared and common transport are not synonymous and that common transport is not a network element that must be unbundled. See eg "Opposition of Ameritech to Petitions for Clarification and Reconsideration" dated October 31, 1996, at pp 6-11, and Reply Comments of Ameritech, dated November 12, 1996, at pp 18-19.
- **Ameritech's position on the meaning of "shared transport" was successfully resolved in Section 252 arbitrations with AT&T.** AT&T's description of Ameritech's position on "common transport" in state arbitration proceedings is incomplete and misleading. Specifically, Ameritech removed all references to "common transport" from its original proposed agreement before submitting its September 17, 1996 proposal (indeed, the change was highlighted in that "redlined" proposal), and common transport was not

included in any subsequent contracts. Prices for interoffice transport in those contract proposals were based on Ameritech's definition of shared transport alone, not common transport. Further, Mr. Dunny removed the erroneous references to common transport from his direct testimony at the first opportunity in the Indiana and Illinois arbitrations, and his Ohio and Wisconsin testimony did not refer to common transport at all. Ameritech's inadvertent use of "common transport" in early versions of its proposed interconnection agreement is described in the attached letter dated January 31, 1997 from Ameritech to AT&T. It is clear from subsequent "red-lined" drafts, that AT&T adopted Ameritech's position on shared transport. See Interconnection Agreement, Schedule 9.2.4, paragraph 1.3.

- **AT&T never raised the shared/common transport issue as a matter to be arbitrated by the MPSC (or by any other state commission).** After the revisions to the original contract were made, AT&T accepted Ameritech's proposed language and prices for shared transport -- it did not contest Ameritech's proposed definition in the October 21, 1996 joint redline contract -- and those provisions were included in the contract approved by the MPSC. (AT&T's letter admits that shared transport pricing was not an issue on which the MPSC ordered further negotiations in its November 26, 1996 order.) Moreover, other commissions have agreed with Ameritech that common transport does not constitute an interoffice transmission facility that must be unbundled. MCI raised the same shared/common transport issue in its Illinois arbitration with Ameritech. The Hearing Examiner's Proposed Arbitration Decision agreed with Ameritech that "common transport" was not a network element. However, because the Illinois Commerce Commission concluded there is "considerable ambiguity in the FCC's reference to "shared transport", it refused to require immediate unbundling of common transport or to find that it qualified as a network element.
- **AT&T, and any other carrier, can combine unbundled local switching with "common transport" service.** Although not required by the First Report and Order, (see ¶ 341) Ameritech has agreed to combine unbundled network elements with transport services, including tandem-switched access, ie, common transport, or wholesale usage and toll. Despite the hyperbole from AT&T and Comptel, Ameritech is not requiring carriers that purchase unbundled loops and unbundled local switching to use a separately engineered, parallel interoffice network, nor is Ameritech denying them use of the public switched network. As Ameritech's letter dated January 14, 1997, attached to AT&T's January 28, 1997 Ex Parte, demonstrates, Ameritech permits a requesting carrier -- as an option to dedicated or shared interoffice transmission facilities -- to have traffic originating from unbundled local switching terminated over the public switched network through a common trunk port and the purchase of tandem-switched access or wholesale toll or usage, as applicable. As the Commission has noted, the decision to use either

network elements or services is a business decision for the requesting carrier; based in part on its judgment of whether it will be able "to stimulate sufficient demand to recoup their investment in unbundled elements." First Report and Order at ¶ 334.

In sum, AT&T has no factual or legal basis for claiming that common transport somehow is synonymous with shared transport or constitutes a network element that must be unbundled. Ameritech's Interconnection Agreements with AT&T, on the other hand, fully complies with the FCC's Regulations and the First Report and Order.

Information Industry Services
360 North Orleans
Floor 3
Chicago, IL 60604
Office 312 328-7500
Fax 312 328-2607

Bonnie Hemphill
Account Director



January 31, 1997

Ed Cardella
AT&T
227 West Monroe Street
Chicago, Illinois 60606

Dear Ed:

This supplements my letter to you dated January 14, 1997 and responds to your letter of January 16, 1997 both of which address the provision of shared transport in conjunction with the operator services/directory assistance platform under the interconnection agreements in Illinois and Michigan. Your letter claims that the joint interconnection agreements require that Ameritech provide "common transport" as a network element in conjunction with the operator services/directory assistance platform ("OS/DA platform"). Your letter further alleges that Ameritech has recently changed its position and has withdrawn its offer to provide unbundled "common transport." To prove its point, AT&T attaches language from the testimony of one of Ameritech's witnesses filed in August in the Michigan arbitration, and from a preliminary draft of the joint interconnection agreement.

AT&T's correspondence, ex parte and court filings on this issue this month have used a variety of terms to describe what it is seeking. At various times, AT&T has stated that it is asking for "shared transport", "common transport", "shared/common transport", "shared (i.e.: common) transport" and "switched transport service in Ameritech FCC Tariff No. 2, Section 6.1.3 and 6.9.1". Under the tariff AT&T cites, four different forms of transport are available: entrance facilities, direct transport service, dedicated signaling transport, and tandem switched transport. The first three forms of transport involve dedicated facilities which Ameritech has always been willing to provide to AT&T on an unbundled basis, and AT&T need merely order them by specifying the specific routes it desires and the capacity it seeks (e.g.: DS-1, DS-3, voice grade). For that reason, it appears that what AT&T must be seeking is the functional equivalent of tandem switched transport. None the less, AT&T itself has admitted in its January 29, 1997 Ex Parte to the FCC that "[u]nbundling requires that charges for unbundled transport cannot include charges for switching". Since tandem switched transport includes "charges for switching" it appears that even AT&T concedes that it is not unbundled transport. We need you to confirm our understanding of your position.

I will first address your contention that AT&T is entitled to order "common transport" as a network element under the joint interconnection agreements in Illinois and Michigan. Contrary to AT&T's contention, the joint interconnection agreements do not provide for the provision of "common transport" as a network element, but are specifically limited to offering unbundled dedicated and shared transport.

January 31, 1997
Page 2

As you point out, the August 1996 working draft of the joint interconnection agreement and the testimony filed by Ameritech's witness Mr. Dunny in Michigan in August of 1996 in the arbitration proceeding inadvertently used the term "common transport" to describe shared transport. However, your position ignores the fact that Mr. Mayer's testimony filed at the same time in the Michigan arbitration at pages 39-40 makes it very clear that Ameritech was not offering "common transport" as now defined by AT&T as an unbundled network element.

Your position also ignores the fact that erroneous use of the term "common transport" was quickly corrected in Ameritech's next draft of the interconnection agreement filed with the Proposed Decision of Arbitration Panel ("PDAP"), and in later versions of Mr. Dunny's testimony filed in the Illinois arbitration, and also in the Indiana, Ohio and Wisconsin arbitrations.

In mid-September of 1996, Ameritech proposed corrections to the working drafts of the joint interconnection agreements that deleted any reference to "common transport" and substituted in their place the term "shared transport." To avoid any further confusion, Ameritech also proposed that the term "shared transport" be specifically defined as "a billing arrangement where two (2) or more carriers share the features, functions and capabilities of the transmission facilities between the same types of locations as described for dedicated transport...." Schedule 9.2.4 1.3. Ameritech also proposed that the prices for transport in the agreement be revised to reflect rates that are consistent with the offer of dedicated and shared transport, as defined in the agreement. For your convenience, I have enclosed copies of the pages of the September, 1996 "red line" drafts of the Illinois and Michigan agreements that document the above proposed changes.

Even though AT&T was aware that Ameritech was not offering "common transport" as a network element, AT&T nevertheless agreed to the changes in the language in the draft of the joint interconnection agreement filed in the joint submission, filed in Michigan and Illinois in early October of 1996. I have enclosed copies of the pertinent portions of the joint agreements that document AT&T's acceptance of these revisions. The joint interconnection agreements in both Illinois and Michigan are consistent with the above. They further define the operator services and directory assistance platform in Schedule 9.3.4 of the agreements and specify that it may be ordered with "dedicated transport" or "shared transport." No provision is made for ordering "common transport" in conjunction with the OS/DA platform.

The above described language on shared transport and the OS/DA platform remained in the agreements that were approved in Illinois and filed with the Commission in Michigan. Further, shared or common transport was not an issue on which the Michigan Public Service Commission ordered the parties to negotiate further.

Turning to your claim that Ameritech is changing its position, I believe that the above facts clearly demonstrate that you are mistaken, and that it is AT&T that is changing its position after the fact.

Ameritech's opposition to the concept that carriers could purchase a service such as "common transport" or otherwise obtain undifferentiated usage on its public switched network as a network element is not new. In fact, Ameritech has consistently opposed offering as a network element any arrangement that does not involve a facility, function, or etc., that is dedicated to the requesting carrier or carriers, or that simply duplicates an existing access and retail service. This position was reflected in Ameritech's comments and reply comments filed in the FCC's Interconnection Docket 96-98 in April and May of last year.

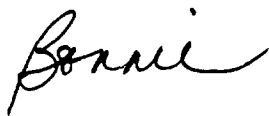
January 31, 1997

Page 3

The FCC's Interconnection Rules make no mention of unbundled common transport, and rather require the offering of only two forms of unbundled local transport -- unbundled dedicated and shared transport. (47 C.F.R. § 51.319(d)(1)) Ameritech offers both forms of unbundling to AT&T. When a few parties proposed in September of 1996 that the FCC reconsider its decision and require the unbundling of "common transport," Ameritech opposed that proposal. It makes no sense to argue here issues that already being litigated before the FCC. For that reason, I will not repeat Ameritech's arguments here, but refer AT&T to Ameritech's filing with the FCC and in the MCI state arbitrations that demonstrate that "common transport" does not qualify as a network element.

In any event, the status of "common transport" as a network element will be decided by the FCC and Ameritech will, of course, comply with any effective regulations adopted by the FCC. In the meantime, Ameritech stands ready to provide to you in conjunction with the OAS/DA Platform, unbundled entrance facilities, direct transport or dedicated signaling transport. You may also combine these unbundled dedicated transport facilities with unbundled tandem switching. If you wish to order this combination, you should specify the tandem office(s) where you wish to obtain unbundled tandem switching and the offices between which you wish to purchase unbundled transport. In each case, you should also specify the type of dedicated transport and the capacity you are ordering. At the same time, tandem switched transport service also is available to you under Ameritech's applicable access tariffs.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bonnie".

Attachments

**Ameritech Illinois
Redlined Proposed Interconnection Agreement
With Annotation Marks**

Dated 10/15/96

Agreed upon text: normal font

Ameritech proposed text: Redline

AT&T proposed text: Double underline

INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996

Dated as of October __, 1996

by and between

AMERITECH INFORMATION INDUSTRY SERVICES,
a division of Ameritech Services, Inc.
on behalf of and as agent for Ameritech Illinois

and

AT&T COMMUNICATIONS OF ILLINOIS, INC.

SCHEDULE 9.2.4

INTEROFFICE TRANSMISSION FACILITIES

Interoffice Transmission Facilities are Ameritech transmission facilities dedicated to a particular Customer or carrier, or shared by more than one Customer or carrier, used to provide Telecommunications Services between Wire Centers owned by Ameritech or AT&T, or between Switches owned by Ameritech or AT&T.

1. Ameritech provides several varieties of unbundled transport facilities:

1.1. Unbundled dedicated interoffice transport facility ("Dedicated Transport") is a dedicated facility connecting two Ameritech Central Offices buildings via Ameritech transmission equipment. In each Central Office building, AT&T will Cross-Connect this facility to its own transmission equipment (physically or virtually) Collocated in each Wire Center, or to other unbundled Network Elements provided by Ameritech to the extent the requested combination is technically feasible and is consistent with other standards established by the FCC for the combination of unbundled Network Elements. All applicable digital Cross-Connect, multiplexing, and Collocation space charges apply at an additional cost.

76 | 1.2. "Unbundled dedicated entrance facility" is a dedicated facility connecting Ameritech's transmission equipment in an Ameritech Central Office with AT&T's transmission equipment in AT&T's Ameritech's Wire Center for the purposes of providing Telecommunications Services.

1.3. Shared transport transmission facilities ("Shared Transport") are a billing arrangement where two (2) or more carriers share the features, functions and capabilities of transmission facilities between the same types of locations as described for dedicated transport in Sections 1.1 and 1.2 preceding and share the costs.

77 | 1.4. Dedicated interoffice facilities between an Ameritech Wire Center and an AT&T Wire Center.

2. Ameritech shall offer Interoffice Transmission Facilities in each of the following ways:

2.1. As a dedicated transmission path (e.g., DS1, DS3, OC3, OC12 and OC48) dedicated to AT&T.

2.2. As a shared transmission path as described in Section 1.3 above.

78 | 2.3. Through the Bona Fide Request process. AT&T may order the equipment and facilities used to provide Dedicated Transport as a system (e.g., a SONET ring) dedicated

since 9/26/1
AT&T
has
submitted
common
transport
issue

to AT&T. Ameritech will design the system (including routing and terminating points) according to AT&T's requirements as specified in the Bona Fide Request.

3. Where Dedicated Transport or Shared Transport is provided, it shall include (as appropriate):

3.1. The transmission path at the requested speed or bit rate.

3.2. The following optional features are available; if requested by AT&T, at additional cost:

3.2.1. Clear Channel Capability per 1.544 Mbps (DS1) bit stream.

3.2.2. Ameritech provided Central Office multiplexing:

(a) DS3 to DS1 multiplexing; and

(b) DS1 to Voice/Base Rate/128, 256, 384 Kpbs Transport multiplexing.

3.3. If requested by AT&T, the following are available at an additional cost:

3.3.1. 1+1 Protection for OC3, OC12 and OC48.

3.3.2. 1+1 Protection with Cable Survivability for OC3, OC12 and OC48.

3.3.3. 1+1 Protection with Route Survivability for OC3, OC12 and OC48.

4. Technical Requirements.

This Section sets forth technical requirements for all Interoffice Transmission Facilities:

4.1. When Ameritech provides Dedicated Transport as a circuit, the entire designated transmission facility (e.g., DS1, DS3, and where available, STS-1) shall be dedicated to AT&T designated traffic.

4.2. Ameritech shall offer Dedicated Transport in all then currently available technologies including DS1 and DS3 transport systems, SONET Bi-directional Line Switched Rings, SONET Unidirectional Path Switched Rings, and SONET point-to-point transport systems (including linear add-drop systems), at all available transmission bit rates, except subrate services, where available.

4.3. For DS1 facilities, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office "CI to CO" connections in the applicable technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule.

4.4. For DS3 and, where available, STS-1 facilities and higher rate facilities, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office "CI to CO" connections in the applicable technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule.

4.5. When requested by AT&T, Dedicated Transport shall provide physical diversity. Physical diversity means that two circuits are provisioned in such a way that no single failure of facilities or equipment will cause a failure on both circuits.

4.6. When physical diversity is requested by AT&T, Ameritech shall provide the maximum feasible physical separation between intra-office and inter-office transmission paths (unless otherwise agreed by AT&T).

4.7. Any request by AT&T for diversity shall be subject to additional charges.

4.8. Upon AT&T's request and its payment of any additional charges, Ameritech shall provide immediate and continuous remote access to performance monitoring and alarm data affecting, or potentially affecting, AT&T's traffic.

4.9. Ameritech shall offer the following interface transmission rates for Dedicated Transport:

4.9.1. DS1 (Extended SuperFrame - ESF, D4, and unframed applications (if used by Ameritech));

4.9.2. DS3 (C-bit Parity and M13 and unframed applications (if used by Ameritech) shall be provided);

4.9.3. SONET standard interface rates in accordance with the applicable ANSI technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule. In particular, where STS-1 is available, VT1.5 based STS-1s will be the interface at an AT&T service node.

79 A4.10. Upon AT&T's request, Ameritech shall provide AT&T with electronic provisioning control of an AT&T specified Dedicated Transport through Ameritech Network Reconfiguration Service (ANRS) on the rates, terms and conditions in F.C.C. Tariff No. 2.

4.10 Ameritech shall permit, at applicable rates, AT&T to obtain the functionality provided by DCS together with and separate from dedicated transport in the same manner that Ameritech offers such capabilities to IXCs that purchase transport services. If AT&T requests additional functionality, such request shall be made through the Bona Fide Request process.

Telephone Numbers	Monthly Rate
ISDN Direct	\$4.01
DID	\$5.01
ISDN Private	\$4.01
Cross-Connect	\$4.20
Service Coordination	\$1.15

Non-Recurring Rates

NRC

Service Ordering

Establish or Add/Change	\$18.09
Record Work Only	\$13.92

Conversion Between Port Types	\$59.07
Centrex Common Block	\$457.98
Customer Training	\$79.88 per hour
Custom Routing (Development & Activation)	\$57,507.79

2. Tandem Switching

Switching, per minute	\$.0015
Trunking Termination, per minute	\$.000359
Local Transport Facility Mileage, per minute, per mile	\$.000030

D. Interoffice Transmission Facilities

1. Dedicated Interoffice Transmission Facilities

DS1	Provided from F.C.C. Tariff No. 2 Section 7.5.9
DS3	Provided from F.C.C. Tariff No. 2 Section 7.5.9
OC3	Provided from F.C.C. Tariff No. 2 Section 7.5.10
OC12	Provided from F.C.C. Tariff No. 2 Section 7.5.10
OC48	Provided from F.C.C. Tariff No. 2 Section 7.5.10

2. Shared Interoffice Transmission Facilities

Travel and/or out-of-pocket expenses will also be charged to AT&T where Ameritech personnel travel to AT&T designated locations.

DS1
DS3

Signaling Networks and Call-Related Databases

Free Signaling Networks

Signaling Link **ETC No. 2, Section 1.1 (Pending)**

Port Termination	\$.48531	(monthly)
Signaling Switching ISUP	\$.000228	per message
Signal Transport ISUP	\$.000156	per message
Signal Formulation ISUP	\$.000834	per message
Signal Tandem Switching ISUP	\$.000533	per message
Signal Switching TCAP	\$.000163	per message
Signal Transport TCAP	\$.000104	per message
Signal Formulation TCAP	\$.000688	per message

Non-Recurring Costs	NRGs
<p>1. Initial Costs</p> <p>2. Operating Costs</p> <p>3. Maintenance Costs</p> <p>4. Replacement Costs</p> <p>5. Disposal Costs</p> <p>6. Other Costs</p>	<p>1. Initial Costs</p> <p>2. Operating Costs</p> <p>3. Maintenance Costs</p> <p>4. Replacement Costs</p> <p>5. Disposal Costs</p> <p>6. Other Costs</p>

Point Termination	\$	691.94
Originating Point Code		
per service added or changed	\$	23.97
Global Title Transfer Address		
per service added or changed	\$	12.69

2. Call-Related Databases

Toll Free Call Routing Query	\$	003128
Toll Free Carrier ID Only Query	\$	001724
Toll Free Routing Options Query	\$	000216
LIDB Validation		
per Query	\$	016115
LIDB Transport	\$	000012

A Shared Interoffice Transport Facility is a billing arrangement where two or more carriers share the features, functions, and capabilities of the transmission facility and share the cost. The actual price paid by each carrier sharing the facility is dependent upon the number of carriers sharing the facility and the respective percentage for billing to each of the sharing carrier. The sum of the respective percentages must equal one hundred percent (100%).

Ameritech Illinois
Redlined Proposed Interconnection Agreement
With Annotation Marks

Dated 9/26/96

Agreed upon text: normal font

Ameritech proposed text: Redline

AT&T proposed text: Double underline

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

Dated as of September __, 1996

by and between

**AMERITECH INFORMATION INDUSTRY SERVICES,
a division of Ameritech Services, Inc.
on behalf of and as agent for Ameritech Illinois**

and

AT&T COMMUNICATIONS OF ILLINOIS, INC.

SCHEDULE 9.2.4

INTEROFFICE TRANSMISSION FACILITIES

Interoffice Transmission Facilities are Ameritech transmission facilities dedicated to a particular Customer or carrier, or shared by more than one Customer or carrier, that provide Telecommunications Services between Wire Centers owned by Ameritech or AT&T, or between Switches owned by Ameritech or AT&T.

1. Ameritech provides several varieties of unbundled transmission facilities:

1.1. "Unbundled dedicated interoffice transport facility" is a facility connecting two Ameritech Central Offices buildings via Ameritech transmission equipment. In each Central Office building, AT&T will Cross-Connect this facility to its own transmission equipment (physically or virtually) Collocated in each Wire Center, or to other unbundled Network Elements provided by Ameritech to the extent the requested combination is technically feasible and is consistent with other standards established by the FCC for the combination of unbundled Network Elements. All applicable digital Cross-Connect, multiplexing, and Collocation space charges apply at an additional cost.

1.2. "Unbundled dedicated entrance facility" is a dedicated facility connecting Ameritech's transmission equipment in an Ameritech Central Office with AT&T's transmission equipment in its Wire Center for the purposes of providing Telecommunications Services.

1.3. "Shared transport transmission facilities" are shared transmission facilities between the same type of locations as described for dedicated transport in Section 1.1 and 1.2 preceding.

1.4. "Common transport transmission facilities" are shared transmission facilities between an Ameritech End Office Switch and Ameritech Tandem.

2. Ameritech shall offer Interoffice Transport in each of the following ways:

2.1. As capacity on a shared circuit facility.

2.2. As a circuit (e.g., DS1, DS3, OC3, OC12 and OC48) dedicated to AT&T.

2.3 As a system (i.e., the equipment and facilities used to provide Dedicated Transport such as SONET ring) dedicated to AT&T.

3.0 When Dedicated Transport is provided as a circuit or as capacity on a shared circuit, it shall include (as appropriate):

Sp. H. Tel
41.11 07205
135 on
74

- 3.1 Multiplexing functionality;
- 3.2 Grooming functionality; and
- 3.3 Redundant equipment and facilities necessary to support protection and restoration.
- 4.0 When Dedicated Transport is provided as a system it shall include:
 - 4.1 Transmission equipment such as multiplexers, line terminating equipment, amplifiers, and regenerators;
 - 4.2 Inter-office transmission facilities such as optical fiber, copper twisted pair, and coaxial cable;
 - 4.3 Redundant equipment and facilities necessary to support protection and restoration; and
 - 4.4 Dedicated Transport includes the Digital Cross-Connect System (DCS) functionality as an option. DCS is described below in the Technical Requirements

3. Technical Requirements.

This Section sets forth technical requirements for all Interoffice Transmission Facilities:

- 3.1. When Ameritech provides Dedicated Transport as a facility, the entire designated transmission facility (e.g., DS1, DS3, STS-1) shall be dedicated to AT&T designated traffic, subject to AT&T buying the entire system.
- 3.2. Ameritech shall offer Dedicated Transport in all then currently available technologies including DS1 and DS3 transport systems, SONET (or SDH) Bi-directional Line Switched Rings, SONET (or SDH) Unidirectional Path Switched Rings, and SONET (or SDH) point-to-point transport systems (including linear add-drop systems), at all available transmission bit rates, except subrate services.
- 3.3. For DS1 facilities, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office "CI to CO" connections in the applicable technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule.
- 3.4. For DS3 and STS-1 facilities, and higher rate facilities, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office "CI to CO"

connections in the applicable technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule.

- 3.5. When requested by AT&T, Dedicated Transport shall provide physical diversity. Physical diversity means that two circuits are provisioned in such a way that no single failure of facilities or equipment will cause a failure on both circuits.
- 3.6. When physical diversity is requested by AT&T, Ameritech shall provide the maximum feasible physical separation between intra-office and inter-office transmission paths (unless otherwise agreed by AT&T).

~~3.7. Any request by AT&T for diversity shall be subject to additional charges.~~

3.8. Upon AT&T's request, Ameritech shall provide immediate and continuous remote access to performance monitoring and alarm data affecting, or potentially affecting, AT&T's traffic.

3.8. Ameritech shall offer the following interface transmission rates for Dedicated Transport:

3.8.1. DS1 (Extended SuperFrame - ESF, D4, and unframed applications and D4);

3.8.2. DS3 (C-bit Parity and M13 and unframed applications shall be provided);

3.8.3. SONET standard interface rates in accordance with ANSI T1.105 and ANSI T1.105.07 and physical interfaces per ANSI T1.106.06 (including referenced interfaces). In particular, VT1.5 based STS-1s will be the interface at an AT&T service node, the applicable ANSI technical references set forth under Dedicated and Shared Transport in the Technical Reference Schedule.

3.8.4. SDH Standard interface rates in accordance with International Telecommunications Union (ITU) Recommendation G.707 and Plesiochronous Digital Hierarchy (PDH) rates per ITU Recommendation G.704.

3.9. For Dedicated Transport provided as a system, Ameritech shall design the system (including but not limited to facility routing and termination points) according to AT&T specifications.

75